



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2003 Assembly Bill 674	Assembly Substitute Amendment 1
<i>Memo published: January 20, 2004</i> <i>Contact: Joyce L. Kiel, Senior Staff Attorney (266-3137)</i>	

Currently, a person who is a retirement annuitant under the Wisconsin Retirement System (WRS) and subsequently becomes employed by a state agency is ***not*** eligible for employer contributions toward the cost of health insurance ***unless*** the person first terminates his or her WRS retirement annuity.

2004 Assembly Bill 674 provides that a retirement annuitant who subsequently becomes employed by a state agency is eligible for employer contributions toward the cost of health insurance ***without*** first terminating his or her WRS retirement annuity ***if*** the individual's employer has agreed, in writing, ***at the time the individual is hired by the state***, to pay employer contributions toward the cost of health insurance coverage.

The bill also includes a nonstatutory provision affecting retirement annuitants who are already employed by the state on the effective date of the bill (existing employees) inasmuch as their employers would not have agreed to make such a payment at the time of their hire. The nonstatutory provision essentially provides a 90-day window after the effective date of the bill in which an existing employee could elect coverage and the employer could agree to pay the employer contribution.

Assembly Substitute Amendment 1 to the bill changes the bill as follows:

1. It deletes the requirement that the employer's written agreement must be at the time of hire. In conjunction with this change, it deletes the nonstatutory provision providing a 90-day window after the bill's effective date for existing employees to obtain written agreement from their employer to pay the employer contribution.
2. It specifies that the provision for retirement annuitants does not apply if the individual is employed by a state agency as a limited term employee under s. 230.26, Stats., or is not expected to work at least 1/3 of what is considered full-time employment by the Department of Employee Trust Fund's rules. (Section 230.26 (1), Stats., specifies that a

limited term appointment is a provisional appointment or an appointment for less than 1,044 hours per year (1/2 a year)).

Legislative History

The Assembly Committee on Insurance introduced Assembly Substitute Amendment 1 to the bill and recommended adoption of the substitute amendment on a vote of Ayes, 10; Noes, 4. The committee then recommended passage of the bill, as amended, on a vote of Ayes, 8; Noes, 6.

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